REMARKS

Claims 1-14 are pending. The Examiner's reconsideration of the rejection is respectfully requested in view of the amendments and remarks.

The abstract of the disclosure has been objected to in view of MPEP 608.01(b). The abstract of the disclosure has been amended remove the terms "comprising" and "said." Reconsideration of the objection is respectfully requested.

Claims 1-15 have been rejected under 35 USC 112, first paragraph. The Examiner stated essentially that the claims contain subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Specifically, the Examiner suggested that the terms "available surplus," "distance function," "a payment rule, a Threshold Rule Max, a Small Rule, a Reverse Rule, a Fractional Rule, and a Large Rule" are not supported by the specification.

Respectfully, "available surplus" is described in detail at, for example, page 12, lines 26 to page 13, line 2 and page 13, lines 7-13. Similarly, "distance function" is described at, for example, page 11, lines 16-17, page 13, lines 21-26 and further described at page 5, lines 3-6. Further still, each of the payment rule, Threshold Rule Max, Small Rule, Reverse Rule, Fractional Rule, and Large Rule are given specifically at page 5, lines 7-13.

In view of the foregoing, reconsideration of the rejection is respectfully requested.

Claims 9-15 have been rejected under 35 USC 112, first paragraph, second paragraph,

wherein the Examiner suggested that "the apparatus of claim 8" has insufficient antecedent basis and further that the means recited in Claim 15 are directed toward software without any structure limitations to be a system.

Claims 9-14 have been amended, wherein "apparatus" has been amended to "method."

Claim 15 has been cancelled.

Reconsideration of the rejection is respectfully requested.

Claims 1-5 and 8-12 have been rejected under 35 U.S.C. 102(e) as being anticipated by Hertz et al. (US Patent App. No. 2001/0014868). The Examiner stated essentially that Hertz teaches all the limitations of Claims 1-5 and 8-12.

Claims 1 and 8 claim, "computing a Vickrey discount to said plurality of winning agents as the difference between available surplus with all agents present minus available surplus without said plurality of winning agents."

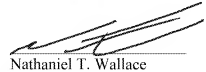
Hertz teaches using offer demand summaries to estimate shoppers' interest (see page 16, second column). Hertz does not teach "computing a Vickrey discount to said plurality of winning agents as the difference between available surplus with all agents present minus available surplus without said plurality of winning agents" as claimed in Claims 1 and 8. Hertz relates to a system for the automatic determination of which products a shopper would be most likely to by (see paragraphs [0002] and [0024]). Hertz is concerned with what a shopper is likely to by. Hertz does not teach determining a discount for a shopper that has committed to a purchase, much less, computing a Vickrey discount to said plurality of winning agents as claimed in Claims 1 and 8. Hertz is concerned only with likely sales. Therefore Hertz fails to teach all the limitations of Claims 1 or 8. Reconsideration of the rejection is respectfully requested.

Claims 6, 7, and 13-15 have been rejected under 35 U.S.C. 103(a) as being unpatentable over Hertz et al. (US Patent App. No. 2001/0014868). The Examiner stated essentially that Hertz teaches or suggests all the limitations of Claims 6, 7, and 13-15.

Claims 6 and 7 depend from Claim 1. Claims 13 and 14 depend from Claim 8. The dependent claims are believed to be allowable for at least the reasons given for Claims 1 and 8. Reconsideration of the rejection is respectfully requested.

For the forgoing reasons, the present application, including Claims 1-14, is believed to be in condition for allowance. The Examiner's early and favorable action is respectfully urged.

Respectfully submitted,



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